

116TH CONGRESS  
1ST SESSION

# H. R. 1770

To amend the Internal Revenue Code of 1986 to exclude from gross income certain amounts realized on the disposition of property raised or produced by a student agriculturist, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 14, 2019

Mr. McCAUL (for himself, Mr. PETERSON, and Mr. CUELLAR) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to exclude from gross income certain amounts realized on the disposition of property raised or produced by a student agriculturist, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Student Agriculture  
5 Protection Act of 2019”.

1 **SEC. 2. EXCLUSION OF CERTAIN GAIN BY STUDENT AGRICULTURISTS FROM GROSS INCOME.**  
2

3 (a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended  
4 by inserting after section 139G the following new section:

5 **“SEC. 139H. GAIN FROM PROPERTY PRODUCED OR RAISED**  
6 **BY A STUDENT AGRICULTURIST.**  
7

8 “(a) IN GENERAL.—In the case of a student agriculturist, gross income shall not include so much of the  
9 gain from qualified dispositions during the taxable year  
10 as does not exceed \$5,000.  
11

12 “(b) DEFINITIONS.—For purposes of this section—

13 “(1) STUDENT AGRICULTURIST.—The term  
14 ‘student agriculturist’ means an individual who has  
15 not attained age 22 and who is enrolled in—

16 “(A) an FFA chapter or a program established by the National FFA Organization,  
17

18 “(B) a 4-H Club or other program established by 4-H, or  
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20 “(C) any student agriculture program similar in nature to a club or program described in subparagraph (A) or (B) which is  
21 under the direction or guidance of an agricultural educator, advisor, or club leader.  
22  
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25 “(2) QUALIFIED DISPOSITION.—

1           “(A) IN GENERAL.—The term ‘qualified  
2 disposition’ means a sale or exchange of quali-  
3 fied property by or on behalf of a student agri-  
4 culturist (determined as of the date of the sale  
5 or exchange) which occurs—

6           “(i) during an activity of a type de-  
7 scribed in paragraph (2)(B) or (3)(B) of  
8 section 513(d), or

9           “(ii) under the supervision of a pro-  
10 gram described in subparagraph (A), (B),  
11 or (C) of paragraph (1).

12           “(B) QUALIFIED PROPERTY.—For pur-  
13 poses of subparagraph (A), the term ‘qualified  
14 property’ means personal property, including  
15 livestock, crops, and agricultural mechanics or  
16 shop projects, produced or raised—

17           “(i) by the student agriculturist by or  
18 on behalf of whom the sale or exchange is  
19 made, and

20           “(ii) under the supervision of a pro-  
21 gram described in subparagraph (A), (B),  
22 or (C) of paragraph (1).”.

23           (b) CONFORMING AMENDMENT.—The table of sec-  
24 tions for part III of subchapter B of chapter 1 of the In-  
25 ternal Revenue Code of 1986 is amended by inserting

1 after the item relating to section 139G the following new  
2 item:

“Sec. 139H. Gain from property produced or raised by a student agri-  
culturist.”.

3 (c) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to taxable years beginning after  
5 the date of the enactment of this Act.

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